## REMARKS

By this Amendment, claims 1-17 are hereby cancelled and replaced with new claims 18-29, which Applicants respectfully submit overcome all of the objections and rejections set forth in the Office Action.

Referencing first the various objections and rejections under 35 U.S.C. 101 and 112, first and second paragraphs, set forth in sections 1-4 of the Office Action,

Applicants note the following. Regarding the rejection under 35 U.S.C. 101, the noted language "other information" and "repeating the above steps any number of times" are not employed in any of the new claims. Further, claim 18, although obviously requiring participants to the negotiation process to provide some form of input, clearly recites a statutory computer implemented process that is useful in assisting parties to a negotiation in reaching an agreement to the negotiation. Thus, Applicants respectfully submit, the new claims satisfy the utility requirements of 35 U.S.C. 101.

As for the rejection under 35 U.S.C. 112, first paragraph, Applicants also respectfully submit that claim 18 and the claims that depend thereon are clearly enabled by the specification.

Finally, Applicants take issue with the Examiner's assertion that the terms "level of satisfaction" and "preferences", which are still present in some of the new dependent claims, render the claims indefinite. The negotiation example set forth in the numerous drawing figures and corresponding description clearly set forth what these terms mean. "Level of satisfaction" is clearly disclosed in the application as meaning a quantified measure of the expected utility from a particular outcome of the negotiation. This quantified measure is shown to the parties as a rating for every package. In this regard,

reference is made to FIGs. 8 and 9 in the subject application that illustrate two types of satisfaction level graphs in which satisfaction levels can range from 0% (not satisfied at all) to 100% (completely satisfied). By the same token, party preferences are also clearly described in the application as those possible outcomes to the issues being negotiated that each party prefers to occur. FIG. 13 illustrates the preference analysis process in which issues get ordered in terms of importance or preference of each party.

With reference to the new claims, claim 18 defines the method of the invention in a simpler format from the previous claims to avoid any confusion with the claims in Applicants' previous patent (US 5,495,412) and highlight the key feature of the invention that patentably distinguishes the invention over the '412 patent, as well as the prior art on conventional blind bidding techniques. As will become clear, the presentation of claim 18 clearly overcomes the double patenting and obviousness rejections set forth in the Office Action.

The key difference between ordinary blind bidding and the negotiation technique recited in claim 18 lies in what is blind. In ordinary blind bidding, proposals (sometimes called offers and demands) made by the parties to the negotiations are kept in confidence and are thus referred to as "blind." If a computer system is employed, the computer analyzes the entered bids and lets the parties know whether there is agreement or more than likely, that there is no agreement. Depending on the rules, this could mean that the bids are not close enough to each other or that there is no overlap. The parties can then resubmit new or even the same blind bids for reevaluation. This conventional type of blind bidding is only practical for single-issue negotiations.

In the claimed invention, proposals are not hidden from the parties to the negotiation. Instead, the computer uses these proposals to generate one or more suggested agreements that may well be acceptable to two or more of the parties to the negotiation. The computer preferably uses the optimization techniques set forth in the '412 patent, though these techniques are not required and do not form a part of the present invention in and of themselves. Suffice it to say, that the computer uses any suitable known optimization technique that arrives at one or more potential solutions to the negotiation problem and outputs these as suggested "agreement packages" to each of the parties to the negotiation.

What is blind in the claimed process comes next. In conventional blind bidding, proposals (offers and demands) are blind, but the problem with this technique is that, for all practical purposes, the method is restricted to single-issue cases. In the modification that is covered by claim 18, which can be applied to complex negotiations with any number of issues, it is the acceptance of a value or package that is blind. Each party evaluates the suggested packages and enters in confidence into the computer, an indication as to whether they would be willing to accept one or more of the agreement packages. The computer then determines whether each party to the dispute has agreed to one or more of the same packages, and if so, lets the parties know that the negotiation is settled by identifying one of the agreed upon packages as an agreement. In other words, the computer is employed to generate the bids that are presented in the open as suggestions for selection by the parties. Thus, it is the acceptance of a package of values (or single value in the case of a single issue case) that is blind in the claimed invention.

When all parties accept one of more of the same packages, then the computer system will

declare one of them to become the tentative agreement.

Clearly, the foregoing concept is nowhere disclosed or suggested in the '412

patent. For this reason, the obviousness and double patenting rejections over the '412

patent clearly are not applicable to claim 18 or any of the claims that depend thereon.

Further, claims 22 and 29 add the feature in which private suggestions that are

indistinguishable from the suggestions that are computer generated are received from the

parties and then the computer generated suggestions and each of the private suggestions

are provided to the parties. Thus, although the party submitted suggestions are not blind,

the source of the suggestions is kept confidential from other parties. Clearly, this specific

concept is also not disclosed or suggested in any prior art of record and further

distinguishes claims 22 and 29 over the prior art.

are traversed and that the application is now in condition for allowance. Accordingly,

In view of the foregoing, Applicants respectfully submit that the claim rejections

 $favorable\ reconsideration\ of\ the\ application\ is\ respectfully\ requested.$ 

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